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ABSTRACT

A series of roundtable discussions, designed to bring together employers and educators in small and informal sessions to discuss youth employment and related issues, was held in Birmingham, Hartford, Los Angeles, Houston, and Chicago. The discussions yielded policy implications in five major areas. These are access to the private sector, educational strategies and institutions, supportive services, public job creation, and management. Roundtable participants also commented on nine issues relating to the policies of business and education/human services groups. These issues were (1) hiring practices, (2) major barriers to hiring more youth, (3) special career and vocational needs of minority students, (4) employer contacts with local Comprehensive Employment and Training Act offices, (5) the projected performance of Youth Education and Development Act-fostered relationships, (6) changes in work force needs in the next five years, (7) education and job training programs for youth, (8) facilitating cooperation between educational institutions and the private sector, and (9) the role of the federal government in helping industry hire more youth. The format and approach of the roundtables was also discussed. (Related reports on youth employment policies and programs for the 1980s and youth perspectives on youth employment are available separately through ERIC--see note.) (MN)

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YOUTH KNOWLEDGE DEVELOPMENT REPORT

RESEARCH ON YOUTH EMPLOYMENT AND EMPLOYABILITY DEVELOPMENT

Educator and Employer Perspectives

ED200782

May 1980

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
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YOUTH KNOWLEDGEMENT DEVELOPMENT REPORT 2.16

EDUCATOR AND EMPLOYER PERSPECTIVES

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May 1980

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OVERVIEW

In the school-to-work transition process, employment and training programs are a bridge between educators and employers. The education system has been criticized for its insularity and failure to adequately prepare youth for work. Employers, on the other hand, have not generally played an active role in the education process. Dialogue is needed to increase mutual understanding in order to improve preparation and transition of youth.

Under the auspices of the Vice President's Task Force on Youth Employment, through the support of the Youth Employment and Demonstration Projects Act, a series of five roundtables were held in Birmingham, Hartford, Los Angeles, Houston, and Chicago, to bring together employers and educators in small and informal sessions to discuss youth employment and related issues. This report summarizes these roundtable discussions. While the interchange does not support statistically reliable generalizations, two basic themes are repeated:

o Almost every job requires fundamental reading and writing skills. There is a perception among employers that the youth now seeking jobs are less prepared in basic skills than those in the past. They consistently urge more emphasis on basic education.

o Employers want youth who have been taught or have had work experience from which they have learned to show up on time and to follow instructions. Vocational skills training is given little emphasis since this can be acquired once the youth is employed.

These, as well as other perspectives expressed on a variety of subjects by educators and private employers, are important for the employment and training system in its role as an intermediary. These views can provide useful background for prime sponsors and subagents who must deal with the local education system and certainly with local employers.

This study is one of "knowledge development" activities mounted in conjunction with research, evaluation and development activities funded under the Youth Employment and Demonstration Projects Act of 1977. The knowledge development effort will result in literally thousands of written products. Each activity has been structured from the outset so that it is self-standing but also interrelated with a host of other activities. The framework is presented in A Knowledge Development Plan for the Youth Employment and Demonstration Projects Act of 1977, A Knowledge Development Plan for the Youth Initiatives Fiscal 1979 and Completing the Youth Agenda: A Plan for Knowledge Development, Dissemination and Application for Fiscal 1980.

Information is available or will be coming available from these various knowledge development efforts to help resolve an almost limitless array of issues. However, policy and practical application will usually require integration and synthesis from a wide range of products, which, in turn, depend on knowledge and availability of these products. A major shortcoming of past research, evaluation and demonstration activities has

been the failure to organize and disseminate the products adequately to assure the full exploitation of the findings. The magnitude and structure of the youth knowledge development effort puts a premium on structured analysis and wide dissemination.

As part of its knowledge development mandate, therefore, the Office of Youth Programs of the Department of Labor will organize, publish and disseminate the written products of all major research, evaluation and demonstration activities supported directly by or mounted in conjunction with OYP knowledge development efforts. Some of the same products may also be published and disseminated through other channels, but they will be included in the structured series of Youth Knowledge Development Reports in order to facilitate access and integration.

The Youth Knowledge Development Reports, of which this is one, are divided into twelve broad categories:

1. Knowledge Development Framework: The products in this category are concerned with the structure of knowledge development activities, the assessment methodologies which are employed, the measurement instruments and their validation, the translation of knowledge into policy, and the strategy for dissemination of findings.

2. Research on Youth Employment and Employability Development: The products in this category represent analyses of existing data, presentation of findings from new data sources, special studies of dimensions of youth labor market problems, and policy issue assessments.

3. Program Evaluations: The products in this category include impact, process and benefit-cost evaluations of youth programs including the Summer Youth Employment Program, Job Corps, the Young Adult Conservation Corps, Youth Employment and Training Programs, Youth Community Conservation and Improvement Projects, and the Targeted Jobs Tax Credit.

4. Service and Participant Mix: The evaluations and demonstrations summarized in this category concern the matching of different types of youth with different service combinations. This involves experiments with work vs. work plus remediation vs. straight remediation as treatment options. It also includes attempts to mix disadvantaged and more affluent participants, as well as youth with older workers.

5. Education and Training Approaches: The products in this category present the findings of structured experiments to test the impact and effectiveness of various education and vocational training approaches including specific education methodologies for the disadvantaged, alternative education approaches and advanced career training.

6. Pre-Employment and Transition Services: The products in this category present the findings of structured experiments to test the impact and effectiveness of school-to-work transition activities, vocational exploration, job-search assistance and other efforts to better prepare youth for labor market success.

7. Youth Work Experience: The products in this category address the organization of work activities, their output, productive roles for youth, and the impacts of various employment approaches.

8. Implementation Issues: This category includes cross-cutting analyses of the practical lessons concerning "how-to-do-it." Issues such as learning curves, replication processes and programmatic "batting averages" will be addressed under this category, as well as the comparative advantages of alternative delivery agents.

9. Design and Organizational Alternatives: The products in this category represent assessments of demonstrations of alternative program and delivery arrangements such as consolidation, year-round preparation for summer programs, the use of incentives, and multi-year tracking of individuals.

10. Special Needs Groups: The products in this category present findings on the special problems of and the programmatic adaptations needed for significant segments including minorities, young mothers, troubled youth, Indochinese refugees, and the handicapped.

11. Innovative Approaches: The products in this category present the findings of those activities designed to explore new approaches. The subjects covered include the Youth Incentive Entitlement Pilot Projects, private sector initiatives, the national youth service experiment, and energy initiatives in weatherization, low-head hydroelectric dam restoration, windpower, and the like.

12. Institutional Linkages: The products in this category include studies of institutional arrangements and linkages as well as assessments of demonstration activities to encourage such linkages with education, volunteer groups, drug abuse, and other youth serving agencies.

In each of these knowledge development categories, there will be a range of discrete demonstration, research and evaluation activities focused on different policy, program and analytical issues. In turn, each discrete knowledge development project may have a series of written products addressed to different dimensions of the issue. For instance, all experimental demonstration projects have both process and impact evaluations, frequently undertaken by different evaluation agents. Findings will be published as they become available so that there will usually be a series of reports as evidence accumulates. To organize these products, each publication is classified in one of the twelve broad knowledge development categories, described in terms of the more specific issue, activity or cluster of activities to which it is addressed, with an identifier of the product and what it represents relative to other products in the demonstrations. Hence, the multiple products under a knowledge development activity are closely interrelated and the activites in each broad cluster have significant interconnections.

This volume should be assessed in conjunction with Youth Perspectives--The Lives Behind the Statistics and Youth Perspectives--Surveys of Youth in which young people express their insights about both private employers and the schools. The three volumes in Linkages Between the

Education and Employment and Training Systems in the "institutional linkage" category provides more information about the nature of the school systems.

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Introduction

In March 1979, President Carter asked Vice President Mondale to head a Task Force to review all federal programs which directly or indirectly affect youth. This review, described by the New York Times as the "most comprehensive ever undertaken by the federal government", was aimed at analyzing an array of past and present federal youth efforts in preparation for developing a new federal youth policy for the 1980's.

The Vice President's Task Force on Youth Employment formulated an ambitious agenda of analysis, documentation, review, and consultation, all of which would culminate, in mid-October, with a Presidential Review Memorandum. The PRM, as it is known, would summarize state of the art research and program experience and make recommendations for future policy. Most of the Task Force's work has focused on its review of programs and research, but from the beginning, there was a belief in the need to consult, as well, with people "in the classrooms and workplaces" who are directly involved with youth.

Part of this outreach effort was predicated on the fact that the Youth Employment and Demonstration Projects Act of 1977 (YEDPA), through which much of the current federal initiative has been funded, is still in the course of implementation with the result that many of its most interesting ventures have not yet been evaluated or analyzed. There was also a recognition that many of the issues of concern to educators, private employers, and community agencies cannot be fully described through any single federal program.

In order to learn the views and needs of "practitioners", the Task Force conceived a variety of conferences, seminars, and roundtables, each with different target groups and different goals. Weekly seminars for Task Force members were held in Washington from April through July. These seminars brought together distinguished researchers, academicians, and

practitioners who reported on what they have learned from years of youth employment experience. Several major conferences were held (in Breakenridge, Kentucky; Oakland; Boston; and Little Rock) climaxing in a large conference in Baltimore with the theme—"Workplaces and Classrooms—A Partnership for the 80's".

The Education-Private Sector Roundtables were developed as part of the Task Force's outreach activities. They were designed as an intimate, informal mechanism through which those in business and education concerned with the employment of youth could meet and express their views directly to the Task Force. Five Roundtables, each focused on a single city, were conducted during July and August in Birmingham, Hartford, Los Angeles, Houston, and Chicago. They were planned and implemented by the Task Force through the Center for Public Service at Brandeis University. The Center for Public Service has produced Reports on the individual cities as well as this summary Report on the overall Roundtable experience.

This Final Report summarizes the Roundtables but it does not substitute for the individual "City Reports". For more detailed information on the events in each city, the latter should be consulted. The Final Report has four sections:

I. "Implications for Policy" which analyzes the Roundtables for themes relevant to five topics of concern to the Task Force;

II. "Response to the Agenda" which itemizes the major comments from the five cities on each of nine Agenda questions;

III. "Format and Approach" which describes how the Roundtables were organized and draws some conclusions about the usefulness of this technique;

IV. An "Appendix" which includes sample agendas and complete lists of all those who attended the total of fifteen Roundtable meetings.

I. Implications for Policy

In order to facilitate its review of federal youth programs, the Vice President's Task Force developed a matrix of key topics which would be analyzed across each program in terms of the needs to be addressed, effective models or strategies, and suggestions for future policy. These topics include Access to the Private Sector, Public Job Creation, Educational Strategies and Institutions, Supportive Services, and Management.

The Education-Private Sector Roundtables were not organized according to this matrix, but the discussions have a number of implications for policy in these areas. This section of the Final Report will seek to coalesce themes of the Roundtable around each of these focus topics. We have reviewed notes from the meetings, the transcripts, and the City Reports to derive themes which seem to cut across all cities and all groups. Some of them may seem obvious; others may suggest substantial change in federal approaches to what is a local problem. The discussion in this session does not exhaust all that might be said on each of these topics. The "list" under each was purposively confined to items which the Roundtables suggest are critical.

Two themes stand out from the Roundtables:

- Employers want youths who can read and write—that is, there is a need for greater emphasis on basic education;
- Employers want youths who know how to perform on the job—that is, kids need work experiences which will teach them basic employment skills.

A. Access to the Private Sector

Much of the Roundtable discussion naturally focused on the role of the private sector. This was true in both the Employer and the Education sessions. Issues connected with the private sector will recur under each of our analysis headings. In this section, though, the emphasis is on access across a spectrum of avenues from simple communication to job placements.

1. Business is not monolithic. No one strategy will work for all companies. It is particularly important to distinguish between the needs of large and small employers.

The clearest fact to emerge from the Roundtables was this distinction between large and small employers which colors all suggestions for new private sector initiatives and requires that these initiatives be tiered to reflect substantially different capacities to hire and retain youth employees. Five characteristics of small employers deserve emphasis:

- they operate on very narrow profit margins, are always in the market for capital, and feel neglected by federal policies aimed at promoting economic growth;
- because they lack the institutional structure of large firms, they can make hiring (and other) decisions more quickly but they also expect quick returns;
- they are firmly rooted in their local communities and, therefore, feel a stronger, more "operative" sense of social responsibility;
- the smaller size of their organization and work force may well make them more supportive environments for inexperienced, disadvantaged youth;
- generally, they need labor with a higher level of job-specific skills than larger firms which are able to train in-house.

A recent study by David Burch (The Job Generation Process, MIT 1979) found that 66 percent of all new jobs in the economy were created by firms with fewer than 20 employees. When combined with the Roundtable discussions and other studies (e.g. David Robison, "Small Business Employment and the Hiring of Youth", VPTFYE 1979), this suggests that greater attention should be focused on small employers in federal employment efforts. Some hazards for such a strategy were also noted during the Roundtables:

- most small employers do not have the time, let alone the management capacity, to respond to federal programs and procurements;
- the mortality rate for small business is high and so, too, is the turnover in their management and goals;
- there are literally hundreds of thousands of small employers with a comparable variation in capital and labor needs;

- wage rates are generally lower and prospects for career planning more limited, especially when it may require further training;
- there is a special shortage of appropriate small employers in the distressed neighborhoods of many cities.

Again, it should be remembered that both the virtues and hazards of small enterprises vary considerably. The Roundtables included very large and very small companies and it is not possible to specify these generalizations across the range of actual company sizes.

Several characteristics of large employers are also important for youth policies:

- they have a genuine desire to influence school systems, particularly in areas of staff training, curriculum, and accountability;
- they are concerned with problems of retention and integration of youth into their work force;
- they are more likely to be unionized and to measure their activities in the light of multiple, rational impacts;
- their status as large institutions must be considered in terms of planning time, methods of decision making, and type of personnel used in recruiting them to participate in public programs;
- they can afford to invest time and effort in federal youth programs.

The variations between large and small employers intersect with variations across industries. It is obvious that retail and service firms are more interested in minimum wage labor than are manufacturers of computer parts. Yet nearly all employers have problems locating minority employees, filling certain job slots, and retaining good employees over a long period of time. Among other possible variables, the effects of the following were stressed in the Roundtables:

- type of occupation/industry;
- level of technological change and use of automation;

- geographic location of the company;
- the age of the company and its capital base;
- the details of its expansion/contraction in recent years;
- the types and extent of collective bargaining.

It was apparent that a federal policy which was not capable of adapting to these variables on a case by case basis would be less than effective in promoting increased involvement of employers.

A good indication of the fact that perceptions of business as essentially monolithic are false comes from the different assessments given to the impact of the minimum wage on employment. It is widely believed that a lower or differential wage would be encouraged by small companies and ignored by the large. In none of the Small Business Roundtables was the minimum wage a major topic of discussion and only a few individual businesses cited it as a barrier. On the other hand, all of the Large Employer discussions mentioned the wage as a barrier, but not for them—for the small businesses! (There was some large Employer concern that the wage was accelerating the inevitable automation of clerical work in large companies.)

2. Changes in the work force will reduce entry-level opportunities in the next five years.

None of the employer groups responded enthusiastically to the Agenda questions about anticipated changes in the work force. Nevertheless, many of their comments about hiring, barriers, and educational programs reflect important trends in the composition of the work force and the means required to gain access to it. These include:

(1) The number of entry-level jobs appears to be shrinking both absolutely and relatively. The overall number of such jobs is declining because of replacement through technology and through higher entry requirements. Both causes seem to be effects of employer anxiety about the quality

and stability of the potential work force. In some of the more attractive employers, higher initial wages have combined with limited advancement opportunities to reduce the availability of entry jobs. In other words, the cost of entry-level workers is rising and none of the comments at the Roundtables could be used to argue that this trend can be reversed through credits or subsidies.

(2) Nevertheless, the growing reliance of large employers on "internal labor markets' means that disadvantaged youth are increasingly forced to rely upon the shrinking entry level jobs as a way to gain access to these firms. It also means that youth must learn to (further) moderate their job expectations and to be prepared for a long tenure prior to advancement. This is less of a problem with small employers, but the latter also have a more limited range of occupations open to their employees.

(3) Among the fixed costs of labor are those associated with requisite training. The concerns of large employers about stability and reliability dictate further adaptations in their work force while still maintaining preemptive control over training. Small employers cannot adapt to increased fixed costs and are much more willing to rely on the public sector to provide pre-employment training.

(4) Higher fixed costs combined with higher minimum wages do raise the overall price of hiring "risky" youth. This might be used to argue that a lower wage would benefically impact on the cost. However, another view would be that as the fixed costs increase the relative effects of the minimum wage decrease. This is borne out in the pronounced emphasis all employers place on the subjective assessment of job candidates.

(5) Two important changes in employer perceptions about these variables were stressed over and over again in the Roundtables. First, yardsticks like a high school diploma are no longer as valuable as they once were in hiring. Employers are interested in attitude, maturity, and basic work experience. Second, they are generally not as interested in prior skill

training as in fundamental academic skills. Most employers would urge that the limited resources of public schools be used to provide sound fundamental skills and good work habits. If they can be assured of these, they are much more willing to invest in training for the people they hire. This holds even for many smaller employers for whom a general shop "orientation" would be sufficient if the youths also possessed other world of work skills.

(6) There are some selective labor shortages. Machinists were mentioned most often, but so too were data entry clerks, secretaries, health-care technicians, and a raft of paraprofessional positions. There was no consensus on the role of public agents in solving these shortages. On the one hand, schools were criticized for not changing their classroom training in response to employer needs; on the other hand, it was strongly felt that schools could never keep up with technological innovation and had best leave this to employers.

3. It is difficult to predict or measure the impacts of federal policy.

From the Roundtables it would appear that the task of estimating the potential impact of federal inducements is getting harder all the time. Three factors were frequently cited which complicate these estimates:

- Employers feel hedged in by conflicting federal goals. They are urged to hire high risk youth at the same time they are investing in capital-intensive environmental improvements. They are obliged to use affirmative action in hiring while still improving their productivity.

- They are uncomfortable with federal policies which force them to make a social "choice" between individuals and groups in need.

- The accumulated, negative effects of governmental "interventions" act to make each new incentive less effective than it would have been "on its own".

The Targeted Jobs Tax Credit is the most recent federal program aimed at stimulating the employment of the disadvantaged. The Tax Credit was discussed

in all of the employer Roundtables and, although it is too early to estimate the effects of the credit, a few problems were cited:

- Poor marketing which meant that employers either did not know about it or were given incomplete information;
- A general fear of tax audits as a consequence of claiming the credit;
- The low profit margins and lack of accounting sophistication among small employers;
- The departmental structure of large employers which separates hiring decisions from accounting rewards;
- The lack of coordination between the Tax Credit and training and employment programs.

It was also noted that the new Tax Credit incorporated significant improvements over earlier forms and that awareness of the TJTC is growing among employers.

4. Employers can assume a greater role in preparing kids for employment.

The Roundtables made clear that employers are interested in a variety of interactions with the public sector above and beyond those strictly concerned with employment. One might divide the universe of activities into hard and soft categories, with the former referring to job creation/expansion and the latter to an array of educational activities, including, for example, work experience and job sampling. The Roundtables tended to focus on the latter activities, which can be attributed to either the nature of the participants or to the intractability of "hard" changes in the work force on behalf of youth. Even in the case of some of the "softer" activities, economic inducements would be important to realizing them.

The activities identified by a number of employers include:

- short-term work experience of a career exploratory type;
- meetings with educators to discuss a range of vocational and educational issues;

- assistance to educators in developing job-related basic curricula (career education) or specific trade curricula;
- lectures, career days, and similar informational exercises;
- work sampling for teachers and guidance counselors in which these educational professionals would spend time inside employers experiencing a variety of occupations and work environments;
- specific skill training, either at the employer or in vocational-technical schools.

All of these activities were seen as important to improving the quality of school graduates as well as in improving the "image" of education within business circles. They would be expedited by the provision of funds (either to schools or through Prime Sponsors) since most companies cannot afford to pay for activities which, though considered important, do not relate directly to their business. Finally, employers need to be involved from the beginning in planning and executing these programs. Even when they do not pay for them, it is necessary for employers to feel some ownership of the results.

The best examples of some of these activities occur in school system programs. In many cities, employers serve on curriculum committees, provide work/study placements, and perform other career-oriented services. The two CETA programs most favorably cited were VEPs and STIP, both of which allow significant employer input. Employers express a preference for dealing with schools rather than CETA, although they expect the schools to take the initiative. The reasons for this preference include:

- the institutional longevity and permanence of schools;
- the perception that schools are a basic community institution which ought to serve all school children well;
- the residual credibility of school system programs, especially when compared with CETA.

Although the activities in which employers expressed interest are not targeted on those youth in the greatest need, it was felt that improved school system responsiveness would lead to more response by employers. It may be necessary to establish credibility through "safer" programs as a stepping-stone to programs which would serve those with the fewest skills and least motivation.

5. Steps which would lead to greater access to the private sector

In order to improve access to the private sector, the following might be considered:

- Employers want employees with good basic academic and work skills. They would choose these over specific classroom job training.
- Federal policies should be more flexible and allow local operators to tailor incentives, programs, and agents to the identified needs of their area.
- There should be a recognition of the important differences between large and small employers, with a special notation of the great potential inherent in the latter.
- Employer needs and interest must be addressed to establish credibility. This means they should be asked about their needs and included in program planning.
- Better communication on all levels is required between the public and private sector. This communication should not be limited to major Councils or special events.
- Employers identify a major problem retaining disadvantaged employees. Policies and programs should take into account the differences between access in hiring and problems of retention.

The cumulative "lesson" of the Roundtables was that, prior to designing better tools for gaining access, we need to understand better how employers behave and how these behaviors differ according to size, location, and industry. In marketing, it is taken for granted that one needs to analyze the

potential consumers before embarking on a selling campaign. Public employment initiatives might benefit from the same approach.

B. Educational Strategies & Institutions

Three points emerged from the Roundtables vis-a-vis program strategies:

- Career education is needed in all grades and all schools, urban and suburban. Career education means exposure to work values, basic understanding of the economy, and the chance to evolve occupational goals in a realistic context. In a sense, it can be viewed as a long-term, "preventive" measure.

- Real work experience is needed for all high school age youth; however, it must:

  1. be designed to give kids a sense of self-esteem and success;

  2. involve productive work valued by the employer and the community;

  3. be linked to academic and counseling services.

- Programs should be designed so that kids feel at home, understand the connections between different aspects of their experience, and get reinforced for their positive behaviors.

On the institutional side, three needs were consistently identified from city to city:

- Although it was felt that basic educational and vocational skills are the most important ingredients for success in the world of work, there is a critical shortage of vocational-technical high schools in urban areas. Those which exist tend to be underfunded and antiquated. It was also felt that federal incentives to build voc-tech schools had mainly benefited suburban areas.

- Community and junior colleges represent an underutilized resource for youth employment programs. Greater inducements should be made available to encourage linkages between these institutions and public schools, CBOs, and Prime Sponsors.

- Urban public schools have not served the poor and minorities very well, especially the growing Hispanic population. At the same time, the public schools are perceived as the central institution affecting the lives of young people. The values which influence school systems need to be altered so that alternative programs can be developed which serve the noncollege bound, the handicapped, and linguistic minorities.

C. Supportive Services

In this Report, supportive services are taken to include not only direct services to youth, but ancillary services which will help them to adjust to the world of work. The consensus of the Roundtables endorsed the following major themes:

1. Transportation

Since most job growth is happening on the periphery of central cities, transportation has long been a major barrier for the disadvantaged. The energy crisis will exacerbate this problem over the next decade, especially since its costs will impinge primarily on those who can least afford them. In the short run, CETA dollars will continue to be needed to assist youth in getting to and from work experience sites. In the longer run, it was suggested that:

- o Special projects be developed to create new ways for kids to assist in overhauling public transportation;
- o Efforts be made to coordinate federal youth funds with other federal initiatives aimed at improving public transit.

2. Career Information

There was a widespread perception, among both employers and educators, that existing "job banks" or referral services are not working very well. They are dysfunctional both in terms of providing appropriate referrals and in the simpler sense of bringing vacant jobs to the attention of the unemployed. The Employment Service suffers from a credibility problem at least as great as that of any other public institution.

At the same time, schools should begin to introduce jobs and careers to children in the elementary grades and then reinforce this knowledge with a progressively developed exposure to the work world. All too many youths do not know how to dress for interviews, how to complete application forms, and how to respond to questions about their skills and interests.

Neither of these reforms was viewed in a mechanical sense. Just as the Employment Service needs more than a better "computer", career information cannot simply be dispensed—it should be linked with continuing occupational programs.

3. The growth and development of adolescents

Discussions of the so-called affective side of youths can tend to become fuzzy, particularly when they occur in tandem with employment practices. Businesses are not in the business of promoting adolescent growth and development. In fact, a continuing dilemna for program operators is the unresolvable conflict between the productivity goals of business and the individual needs of often troubled adolescents. Nevertheless, the Roundtable participants recognized the need for programs which:

- focus on the "whole" youth;
- develop in kids a sense of self-esteem and self-worth;
- help them to understand the values of the adult world, especially as they are expressed in the "protocols" of business;
- provide them with individual goals, the ability to make informed decisions, and the self-discipline to follow through on those decisions;
- offer them useful adult role models;
- are structured to parallel the developmental process of youth as they move from early adolescence to young adulthood.

4. Training for the trainers

Few themes were echoed throughout the Employer meetings more consistently than the need for improved training opportunities for guidance counselors. Many companies perceive the counselors as the key people affecting the career development of young adults. Strategies for improving the effectiveness of counselors include:

- changing college training programs to include world of work curricula;
- increasing the number of guidance personnel in public schools;
- sensitizing both the counselors and school administrators to the needs of minorities and the disadvantaged;
- requiring both counselors and teachers to spend some time in the business sector as part of their internships or in-service training.

School personnel were not the only ones felt to need improved training. As noted above, the problems of youth in the labor market do not end with the acquisition of a job. Turnover on the job is high, especially among the poor and among minority groups. The attitudes and interests of supervisors and fellow employees can be crucial in determining whether a youth stays on the job two weeks or two years. The quality of their supervision can be improved through the following means:

- specialized training programs which will orient company personnel to the behaviors of adolescents, available support systems, and potential cultural differences;
- increased rewards, within the company, for supervisory "success" with the disadvantaged;
- better long-term follow-up by counselors and others making job placements;
- the exercise of care in the selection of youth supervisors by the company.

D. Public Job Creation

Most of the discussions in the Roundtable series dealt with private sector themes. Nevertheless, the role of the public sector in creating and sustaining employment possibilities was viewed as necessary for three key reasons:

- A widespread belief that there are too few jobs available now and in the immediate future in inner city areas;
- A perception that many important services need to be developed in urban and rural areas and that these will not, in the short term, prove sufficiently profitable to attract the private sector;
- A strong impression that the public sector is particularly adept at providing the "bridge" jobs which youth need as they build an employment record.

There was a fair amount of criticism of the quality of the work experiences created through the public sector, and, as a result, the discussions surfaced several goals which should be kept in mind in planning effective work programs:

- Projects which result in tangible community benefits will not only give the youths a sense of accomplishment, they will also generate community support for youth programs.
- They should focus on areas where the market has not responded to needs, but they should also build links to the unions and businesses which, ultimately, will be the "consumers" of their human "products".
- All work programs should include substantive skill training and this, too, can be planned in consort with the private sector and educators.
- The best publicly created jobs will fit into an economic development scheme for the affected communities. Projects should be required to foster links with other development efforts.
- Planners should also take into account the potential impact of youth community improvement projects on unemployed adults. Projects might try to bring youths and adults together in a joint strategy for community development.

One model which was extensively praised is that which develops youth-operated businesses. Successful examples were cited in Chicago, Hartford, and Los Angeles. Many Roundtable participants believed that the recession will have a severe impact on disadvantaged youth. Using public funds to create youth enterprises may be a useful technique for dulling the effects of business cycles on youth by developing and maintaining needed community services.

E. Management

Much of the discussion of the "youth delivery system" has a familiar ring to it. Some of the problems frequently cited in the Roundtables include:

- the generally unfavorable image which employers and educators have of CETA—an image which appears to be difficult to eradicate;
- a perception that many of the current programs, especially the Summer Youth Employment Program, are essentially holding actions with little long-term value (there was some recognition of the DOL/OYP effort to upgrade SYEP in the summer of 1979);
- important conflicts between the goals of federal employment programs and those of schools and employers (the latter stress productivity, while the schools look more to "process" rather than product);
- the fluctuations in funding which oblige community agencies to constantly adapt their services to match available dollars.

Nevertheless, most of the conversation on system issues took the form of recommendations for new policy approaches:

- Eliminate the fragmentation of titles and services through a consolidated local block grant;
- Mandate "industry advisory" boards for all CETA programs as part of an upgraded evaluation capacity;
- Improve the training and professional level of CETA staff;
- Provide better technical assistance to Prime Sponsors and program operators, either through Regional offices or through special purpose intermediaries;

- Create incentives for Prime Sponsors through which increased funds for special programs would follow from good performance;

- Do the same for youth; in other words, allow greater flexibility--up and down--with youth wages;

- Reduce the disincentives for private sector involvement by (a) eliminating most of the paperwork, and (b) arming local programs with more versatile inducements;

- Give Primes the authority to contract for two or three years at a time, but link this with clearer and more appropriate performance standards;

- Create new mechanisms for the exchange of management and knowledge development information among local operators;

- Initiate a long-term strategy to improve the public image of CETA, particularly by focusing on successful local programs.

Two complementary themes recurred throughout the Roundtable sessions with respect to the system issues. The first is a disheartening one:

- CETA resources, now and in the foreseeable future, are small with respect to the magnitude of youth problems.

On the other hand, there was a strong feeling that local administrators, program operators, and businesses have the competence to address the problem, if given adequate financial and technical support on the federal level. Obviously, the degree of local capacity varies greatly. It was felt that, where the capacity already exists, it should be enhanced and rewarded, and that where it does not, special efforts should be undertaken to nurture it.

II. Response to the Agenda

The focus of this section switches to the Agenda questions used to guide the discussions during the Roundtables. The participants were not polled regarding each question, but most of their comments can legitimately be grouped under the Agenda headings. There were six questions for business and six for the education/human services groups. Because these twelve questions overlap, we have itemized the response according to nine summary questions which incorporate all of the original twelve.

1. What does your company look for in hiring entry-level employees?

There was a remarkable degree of similarity in the responses of all employers, large and small, from all parts of the country, to this question. Generally, in terms of importance, they listed: the ability to read and write, an expressed interest in the job, and a record of prior work experience (not necessarily directly related to the job under consideration). For certain jobs, additional factors would come into play: mobility, age, directly relevant work experience, "maturity", and credentialed skill training. It seemed that, given the three key ingredients of basic skills, interest, and work experience, employers looked for a sense of the candidate's "attitude" or willingness to work hard and follow directions. A selection of further comments follows:

(a) Small Employers

- Some companies perceive a declining turnover in their higher level jobs. This means that most promotion occurs from within and that to gain access to the better jobs, the disadvantaged must rely on a diminishing supply of entry-level slots.
- Many of the lower-end entry positions are being filled by people who are technically over-qualified. College graduates pose an increasing competitive threat to disadvantaged groups.

- The fast food industry has the lowest entry level qualifications and, perhaps, the greatest flexibility in dealing with lack of prior experience on the part of youth.
- Although manufacturing firms are worried that larger companies will scoop-up their expensively trained personnel, some smaller companies rely, in fact, on hiring people trained by their larger neighbors.
- There was a strong feeling that smaller companies are more responsive to the special needs of youth and other groups without much work experience. They can go further in dealing with "personal problems", although even they are unable to handle many of the psychological needs found in today's work force.
- Degrees, particularly high school diplomas, are less important than they used to be in new hiring. Many companies, however, wish that they could be restored to their former status because it is so difficult, otherwise, to certify the potential of candidates. There is increasing reliance on company testing in lieu of the diploma.
- There was a strong feeling that the "job bank" is not working. Neither the Employment Service nor newspaper ads nor traditional avenues for referral seem adequate.
- Maturity, by itself, is a prime factor with certain types of jobs; for instance, handling money or selling automobiles.
- Employers look particularly for candidates just past the entry level; that is, people who have already demonstrated their diligence, reliability, and capacity to learn.
- It was felt that vocational skills training should be given to kids only after they had had a chance to explore various occupations.

- If employers were allowed to pay less than minimum wage for employees under 18, they might be encouraged to hire more youth. Under the current wage scale, the contribution a youthful employee makes to the overall profitability of the company is frequently less than the wages they are paid.

(b) Large Employers

- The total size of the work force in larger companies is fairly stable but its composition is shifting. Entry-level slots are declining and professional or semi-professional positions are expanding.
- The companies attending the Roundtables varied considerably in their hiring needs, even when they function in virtually the same industry. The level of technology in the companies, which may be viewed as determined by capital availability, plays a large role in this variation.
- Companies are finding themselves interviewing many more candidates for every slot than they once did. This increases the fixed costs of hiring entry-level employees and, thereby, further erodes the competitiveness of youth labor. But it also creates opportunities for public programs which can, in fact, establish the credibility--through successful experience--of their referrals.
- For new hires, the list of attributes included skill proficiency, maturity, flexibility, stability, and attitude (with the latter candidly defined as "willingness to take direction").
- Many employers look for evidence of "trainability". It used to be that the high school diploma provided this evidence, but that is no longer true and this fact complicates the hiring practices of employers.

- It has become increasingly difficult to fill many entry-level jobs in large companies. Turnover is high and the "cost" of maintaining the work force is skyrocketing. Specific assistance to employers in this domain--for both adults and youth--seems to offer an opening for public agencies.

(c) Education

- Today's youth are not seen as any different from the youth of a decade ago. The labor market has changed more than the youth.
- Much of youth unemployment is intermittent, although the length of time between jobs and the nature of the jobs themselves may be changing.
- One of the biggest drawbacks for youth is their lack of understanding of social protocol in business--the codes of behavior expected of all employees, particularly of new, untested employees.

2. What do you see as the major barriers to hiring more youth?

The many barriers identified by participants in the Roundtables were described in terms of the status quo; that is, in reference to the way things happen now, in the absence of specific federal intervention. The barriers were of four types: employer-induced (ranging from union work rules to insurance stipulations); government-induced (including the minimum wage and child labor laws); youth status (attitude, family expectations, educational attainment); and factors exogenous to youth (such as transportation, changes in the labor market, and the state of the economy).

(a) Small Employers

- Attitude is a major barrier. Companies have stereotypes about youth attitudes, while kids are seen as having a negative attitude towards the value of work.

- Poor kids would gain if they were better prepared for the initial job interview and for the first few days on the job, when lasting impressions are often formed on the basis of limited evidence.

- Some of the lack of work orientation is caused simply by the unfamiliarity of a group new to the labor market. This applies to minorities, women, and immigrants as much as it does to youth. None of these groups were taken seriously in the labor market for a long time and now, either through internal or external pressure, they are re-entering the work force in great numbers.

- Parents, by creating high and often unrealistic career expectations for their children, thereby create an invisible barrier to their employment in many companies.

- The poverty background of many youths was seen as a barrier; companies recognize this and often immediately stereotype the applicant. This was identified as a problem in trying to transform summer VEPs positions into permanent jobs. Employers willing to gamble with a subsidy are reluctant to do so on their own.

- Youth represent a definite employment risk. The suggestion was made that employers be permitted a probationary period during which time they would not be liable for employment insurance for new youth hires.

- Employer-induced barriers include the personnel practice of promoting from within to fill vacancies above entry-level. Employers evaluate entry-level applicants not only for their ability to perform the job they were applying for, but also for promotion potential. This creates high standards even for seemingly simple entry-level jobs. Another problem originating with the employer is supervisor prejudice. This was described as something to be worked out by the company's personnel department.

- Government imposed barriers include: OSHA, Davis-Bacon minimum wage, affirmative action plans, and child labor laws. All of these hinder small companies more than large ones.
- Small businesses also find it difficult to hire disadvantaged youth because of an inability to hide the higher costs associated with lower productivity.
- Racial discrimination is still perceived to be a factor for some youth and some companies, and its impact is greater when the job climate worsens.
- A further barrier to youth is the state of the labor market. There aren't enough jobs to go around. For example, of 11,000 kids who applied at one state employment service, only about 10 percent could even be referred to jobs. Further, there aren't enough publicly supported jobs either. For example, there were 6,000 applicants for 2,500 SYEP jobs this year in Birmingham.

(b) Large Employers

- The absence of sufficient basic skills (i.e., reading, math) was noted as a major problem. The overwhelming consensus was that this was the schools' responsibility.
- The lack of preparedness for the world of work, including such things as the ability to fill out an application form, knowing to call in when sick, and dressing properly for an interview, was cited as another barrier for youth.
- A major barrier to youth getting a job is not having had a job already. Employers stressed their desire to hire "proven commodities". Consistent participation in a training program may substitute for work history as an indicator of a youth's orientation.

- Discipline is a serious and major concern for most employers. Discipline problems are seen as behind many terminations of youth who, often, see behavioral requirements as a personal challenge and who do not understand the structure of the workplace in which they find themselves. Drugs and alcohol were cited as the major reason for most forced terminations from the job for both adults and youth.

- Good supervision on the job is the key to transforming risky hires into long-term employees. Examples of such risks include youth, ex-offenders, and people from different cultural backgrounds. Yet the decisions of high-level corporate managers to hire disadvantaged youths are frequently not successfully communicated to the shopfloor. Supervisory personnel do not see themselves as "social-workers" and are sometimes unwilling to support a disadvantaged youth through a prolonged adjustment period.

- Many companies require a long apprenticeship period. It was felt that kids are too impatient for advancement and, thus block themselves from entry into some of the better paying, more stable occupations.

- Technological innovations are reducing absolutely the numbers of unskilled entry-level jobs. Available jobs are becoming increasingly more complex and professional.

- Transportation was cited as a barrier for youth, especially since much corporate expansion is taking place outside the central city.

- Students are often available to work only in the afternoon. Many businesses are willing to institute some form of job-sharing to produce part-time jobs for youth as opposed to a single adult job, yet were unable to fill morning slots. Flexible school schedules or academic credit for work experience would be a prerequisite to any such arrangement.

- The Large Employers saw the minimum wage as having a major impact on youth hiring but not for themselves. Rather, they assumed that it had an impact on small business.

(c) Education

- The attrition rates for youth on the job are very high. Two causes for this were stressed: (a) the lure of the street economy—which has the added virtue of peer approval—and (b) the confusion created in kids by the absence of clear lines of authority and clear job descriptions within business. (This theme might be linked with the businesses' perception that kids do not understand company protocol. If protocol is not formally codified, adolescents are more likely to misunderstand it.)

- The major issue from the operators' perspective was not really hiring, but the subsequent absorption of kids by employers. Success in this process depends on the first-line supervisors charged by the companies with overseeing the training and performance of new hires.

- A consistent theme among the Education groups was the perceived lack of follow through on the part of business. Top management seems to make commitments to the public sector but these erode in the course of company implementation. Middle-level management was seen as particularly vulnerable to quick disappointment when the first kids placed did not succeed quickly.

- Educators feel that small businesses do offer good opportunities for kids (mainly for the same reasons mentioned by employers) but speculate that they are hindered from more extensive involvement by (a) lack of in-house training capacity and (b) the costs of complying with federal, state, and local paperwork.

- Somewhat paradoxically, the greatest barrier for youth may be their "age": not only do child labor laws and insurance regulations prohibit kids from many jobs, but, increasingly, employers look for "personal maturity" as an attribute in those they hire for semi-skilled or entry-level positions.

3. Do minority students have special career and vocational needs?

This was an issue dealt with more thoroughly in the education meetings than in the employer groups. Although many participants stressed that discrimination continues to influence the labor market and the quality of educational preparation available to many youths, they also asserted that its effects are virtually impossible to separate from the effects of many other factors. The area in which the broadest agreement emerged was on the need to prepare company personnel to relate effectively to minority youths entering their work force.

(a) Small Employers

- Economic development programs—targeted to certain areas of the city and coordinated among all federal and private agencies—were seen as the best long-range solution to the employment of minorities.
- It is necessary for the "social commitment" or "social conscience" of companies to pervade the entire corporation and not be confined to top level management. At the same time, social commitment comes into conflict with internal productivity goals.
- It was also felt that supervisory employees in most companies are not sufficiently prepared to deal with kids from different social, economic, and racial backgrounds.

(b) Large Employers

- Some companies have developed special recruitment and training programs for minorities. These are not usually targeted on youth, though young people are participating in them.
- Some large employers see the recruitment of minorities as a "social choice" which can erode their productivity. The need for considerable company follow-through (described by one participant as "parenting") inflates the cost of this choice.
- A growing problem is the assimilation of Hispanics into the work force. Language and cultural differences make Hispanics last in the hiring queue. By 1990 Hispanics are expected to be the largest minority in the nation. Employers described this as an area of great need and limited immediate prospects.

(c) Education

- There was a consensus on the failure of the public schools to serve their minority students equitably. This was true for disadvantaged and handicapped youth in general.
- Greatly expanded efforts are needed to sensitize employers to the minority youths coming into the labor market. Such programs would parallel the efforts made in the late 1960's around school desegregation. These programs were seen as successful but limited in scale and impact.
- Many minority youth function in a "society of the street" and have norms and values which differ from those of the working world. As much as they may want to enter the job market, they see it as closed to them.

- The absence of employed adults in some distressed families means that some minorities have no role models to follow as they enter the world of work. Programs might consider including parents in their world of work orientation.

4. What contacts have you had with local CETA offices?

The CETA system was not discussed so extensively in the employer meetings as might have been expected. There was a familiar litany of complaints about CETA—no outreach to business, bad follow-through on commitments, unreliable funding, too much paperwork—but it was acknowledged that these complaints were founded on limited actual experience. In a sense, the tone of these discussions was much better than the content: employers expressed interest in more collaboration and were enthused about the Private Industry Councils.

(a) Small Employers

- It was suggested that the private sector is too quick in giving-up on CETA and that there is a preordained sense of failure which then results in the real thing.
- The STIP program was singled out as a success because of its heavy involvement of employers from the very beginning. Many small employers wish they had a chance to help write school curricula as well.
- The Private Industry Councils were perceived as having a good chance at reversing the CETA image. Planning for the PIC's activities has taken a broad perspective with little pressure to "rush into" programming. Some participants hoped that the PICs could be a vehicle for exercising leverage on the schools.

(b) Large Employers

- There was agreement that neither CETA nor the school system is adequately aware of the needs of the private sector and that this "ignorance" contributes to program failure.

- Organized labor has not been involved enough in youth employment programs, despite the fact that in many industries they control the labor supply.
- CETA programs are perceived as lacking the kind of permanency which large businesses like to have in their partners. The schools, therefore, seem to be better candidates for this partnership.

(c) Education

- The original CETA legislation placed a premium on local decision-making. It was felt that subsequent legislative alterations and expansions have eroded self-determination. There are too many fragmented programs and titles, too many quotas for program performance, and too many mandated program activities. The solution was described as consolidation of all youth programs into one category with a range of permissable activities and outcomes.
- The existing performance standards for youth programs which stress job placement are not appropriate and lead to counter-productive compliance strategies.
- Agencies currently serving CETA clients are virtually barred from using private sector placements. They are locked into a narrow cluster of the same non-profits and governmental agencies. OJT offers the only "escape route" but it is one full of potholes.
- HEW and DOL are described as having conflicting goals for their sponsored programs, especially when it comes to participant eligibility.
- The Targeted Jobs Tax Credit and CETA youth training programs were described as "isolated" from one another. The TJTC attempts to encourage private sector employment for disadvantaged youth but presupposes a trained or "employable" youth labor force.

- It was felt that Prime Sponsors—and their subcontractors—need funding mechanisms which reward good performance. This could take the shape of "challenge" grants or incentive grants based on certain private/public goals.

- The major continuing dilemma for the CETA system was perceived to be the manner in which its administrative difficulties undermine its program objectives. This stems from frequent program turnover, low salaries, no continuity in funding, and no permanency to either Prime Sponsor or contractor staff. The system will improve when good staff and good programs are sustained.

5. Has the 22 percent set-aside in YEDPA fostered relationships which will outlive present funding?

The YEDPA inspired LEA Agreement was a topic outside the purview of the business sessions and of special interest only to a minority of those attending the education sessions. In two of the five cities (Hartford and Birmingham), the LEA Agreement led to greatly expanded relationships between the Prime Sponsor and the public schools. In the other three cities, the 22 percent set-aside was merged with other programs operated jointly by the LEAs and the CETA offices. The education participants saw the LEA Agreement as a good and useful innovation, while the private sector meetings endorsed the central concept behind those agreements—more cooperative programming on behalf of youth.

(a) Education

- Schools plan on a long-term basis. This often conflicts with CETA timetables which call for quick results. It helps explain why the private sector is more comfortable working with the schools.

- There was a perception that few out-of-school youth are served by school-based programs. Two reasons were presented: (a) outreach efforts are not encouraged contractually, and (b) kids are not aware of the range of available programs. There is no clearinghouse of information for kids who tend, as a result, to bounce from program to program.

- Those involved in employment and education issues, public and private sector alike, were seen as acting independently of each other. A mechanism for continuous interaction between the public and private sectors was deemed crucial. Although the PICs are still new organizations, many participants were enthusiastic about their ability to fill this void.

- A new occupational role is being evolved in some schools as a result of YEDPA. This role combines the functions of teacher, counselor, and job developer and is seen as an effective mediator between the educational sphere and the world of work.

6. What changes do you anticipate in your company's work force needs in the next five years?

The Roundtable participants responded to this question with three developments: a perceived job expansion among small employers (especially in high technology areas); a critical need to replace some workers who are nearing retirement (the outstanding example was machinists); and anticipated changes in the relative need for different occupations (more professionals and middle-level managers, and more people in the field of information processing). Large employers stressed the last two categories and did not foresee any major expansion in the size of their work forces over the next few years.

(a) Small Employers

- The most immediate concern for small businesses is the impending retirement of many of their skilled machinists and metal trade workers. Although youth do not constitute the prime source of candidates for these vacancies, this situation does suggest long-term federal programs to train workers.
- There is also a chronic shortage of employees at the other end of the scale; McDonald's, for example, operates at about 75 percent of its planned work force.
- The small employees anticipated intensified competition for available jobs over the next five years. Groups likely to impact on youth include women, senior citizens, minority adults, and immigrants.
- There will probably be an increase in the numbers of part-time jobs. Many traditionally nine to five jobs are being converted to part-time, especially in the retail industry which is an important employer of youth.

(b) Large Employers

- More and more companies are fostering career ladders for their present employees, thereby creating internal labor markets difficult to penetrate except through entry-level jobs.
- Job expansion is expected in such areas as clothes manufacture, energy, technical fields requiring some post-secondary education, health-care, machinists, computer operators, and information processing. The biggest labor market change anticipated was in the clerical field, where a "revolution" in machinery and information has been underway for several years.

7. What are the most effective ways to train youth for employment? Which educational programs have been most effective in preparing youths for the world of work?

Given the consistency with which all groups emphasized the need for basic academic and employability skills, the Roundtables did not focus on specific skill training, but rather, on programs and approaches which would, over the course of a youth's education, instill in them the attitudes and competencies essential for employment. The major themes were: (a) the need for career education throughout schooling and (b) the need to link education with work experience.

(a) Small Employers

- Career education was extolled as a model for the long-term education and training of youth.
- In providing kids with world of work orientation, the schools should combine this instruction with real work experience; otherwise, youths will have no frame of reference for assimilating what they are being taught.
- The cost of new equipment and the rapidity of obsolescence suggest that employers will have to provide more direct, machine-based training. Schools were urged to focus more on basic academic skills.
- The Vocational Exploration Program is an effective model for private sector work experience but, so far, it has been limited to the summer.
- Existing skill training programs are not sufficient to prepare youths for employment in small manufacturing firms. These companies often cannot afford to run their own training and, when they do, they are very careful in selecting trainees.

- Many times kids feel isolated and alone when first brought into a large work environment populated mainly by adults. It was suggested that the most effective way to integrate kids into a work force is in small groups where they can receive some peer support in the crucial first days of employment.

(b) Large Employers

- All youth programs should stress the links between classroom learning and practicality. This was believed to be a way to both motivate the youth and satisfy employer needs.
- It was felt that many youth programs begin in the wrong place; that there is too much urgency about placing kids in jobs and not enough effort spent to prepare them for finding jobs on their own.
- Public high schools were encouraged to: (a) concentrate their efforts on teaching basic academic skills, and (b) monitor the achievement of these skills better (in that way, certifying their acquisition to potential employers).
- Vocational high schools were seen as offering good work preparation for youth. Interestingly, the perceived level of discipline and the endorsement of work values found in such schools was regarded as being as important as the actual skills training.
- Most large companies do their own training and, therefore, feel less dependent on educational institutions for this service. This does not apply to higher level or professional positions.

(c) Education

- Early and consistent exposure to career and vocational education was a major theme. Included in this would be traditional skills training. However, the key would be more general "common sense" training or life skills training. How to buy things or look for a job were mentioned as topics.

- Some characteristics of effective work preparation programs cited were (a) world of work orientation, (b) good pre-training of company personnel serving as supervisors, (c) a tiered approach in which kids move from one level of work experience to another, and (d) paid jobs which are linked to school attendance (as in YIEPP).

- Programs should centralize services to the youth. Kids need to feel as if they have a home base. Alternative education programs were felt to be successful at providing this.

- All training programs should include industry involvement from the beginning in order to avoid the dilemma of kids being trained but having no job placement. Lack of good program outcomes is demoralizing and leaves a legacy future programs must remediate.

- The educators also suggested that better publicity about successful CETA programs would, in effect, help to improve the quality of all programs by increasing community support.

8. What can be done to encourage more cooperation between educational institutions and the private sector?

The Roundtable participants downplayed the impact of economic incentives in achieving greater cooperation. Instead, they discussed the need for more communication as the necessary, first step towards meaningful linkages between the public and private sectors. Although the Private Industry Councils were favorably described, it was noted that the PICs are not intended to accomplish the broad-based interaction which the education participants, in particular, felt was crucial.

(a) Small Employers

- It was agreed that the business-school relationship must be a continuous, serious affair if it is to have any consequences. Too often, contacts evolve from crises or from an occasional burst of "good will" and produce no programmatic change.

- In the process of developing this improved relationship, public institutions need to recognize the substantial differences between types and sizes of firms. The nature of the cooperation will vary from industry to industry and from large to small companies.
- Post-secondary institutions (especially two year colleges) and technical high schools were described as the most responsive educational institutions and the ones most likely to reach out to employers first.
- A specific way to improve the transition from school to work would be to place guidance counselors on jobs in local companies as part of their own "in-service" sampling of careers. One participant reported vastly improved youth referrals following such an experience by a local high school counselor.
- Small businesses could work with the public schools to determine a mutually agreed upon set of criteria defining youths as employable. Companies could guarantee a number of jobs for youth who successfully meet the criteria. Such a policy would benefit urban youths and would provide small businesses with a resource for new hires.

(b) Large Employers

- There was consensus on the point that many urban schools are "producing a product that is marginally employable at best."
- One of the keys to improving the schools are guidance counselors. Although they were widely criticized in the Roundtables, counselors are still perceived by employers as playing a central role in preparing and "guiding" youth.
- The largest companies have made the most visible efforts to impact the schools. One company developed a machine shop math book, made presentations to more than 60 high schools, and even offered courses taught by company personnel in local, suburban schools.

- It was felt that many of the deficiencies of the public schools are the result of the demands placed on them by parents, public agencies, and government. As one participant put it: "The schools are only giving us what we as parents have asked for." Existing vocational education programs are stigmatized by parents who encourage their children to pursue college prep programs.

- There was a widespread feeling that more meetings to exchange problems, needs, and programs should take place involving the public and private sectors. Employers describe themselves as very interested in working with the public schools.

(c) Education

- Repeatedly, participants cited the need for improved communication between program operators and private industry. Forums, such as the Task Force Roundtables, were urged as ongoing vehicles for the needed interaction.

- A substantially expanded private sector role in youth employment will result only if the public sector has an expanded repertoire of incentives to encourage business. These can range all the way from advisory councils to direct subsidies and their use can be tailored to the size of the company, the nature of the job, and the age of the kids.

- Educational institutions also need feedback from the private sector about past and current training programs considered most effective in training youth for work. The PIC may help organize businesses to facilitate their feedback.

- One cautionary note was struck: "Industry doesn't have a problem; we do." That is, the onus of the community need is seen as falling on agencies such as those attending the Roundtable. Business, despite some selective labor shortages and some turnover problems, is not obliged to deal with the needs of youth; thus, they cannot be expected to react in the same way as the agencies do. This reality must be taken into account in efforts aimed at increasing cooperation between the sectors.

9. What can the federal government do to remove the obstacles your industry faces in hiring more youth? What can it do to assist local education agencies on youth employment issues?

(a) Small Employers

- Federal policy should take into account the difficulty which small businesses have in competing--in wages, training, and promotion--with larger companies. It should also recognize the special virtues which smaller firms can bring to meeting the needs of disadvantaged youth.
- Direct wage subsidies were of special interest to the small businesses. If it were handled in a clear and simple manner, a subsidy might overcome the 'risk factor' in hiring youth.
- The small businesses did not feel that the paperwork and procedures involved in the Targeted Jobs Tax Credit would be outweighed by the benefits.
- CETA needs to reduce the fragmentation of its operations and increase its public relations efforts if it is to induce greater private sector interest.

(b) Large Employers

- Information on a variety of subjects, ranging from federal economic policy to energy to CETA, does not flow effectively from Washington to the nation. It was recommended that a new, national initiative be started to remedy this problem.
- Another appropriate role for the federal government would be to act as a clearinghouse on successful youth programs and then actively seek to train local people to implement them.
- There should be more flexibility in the wage structure for CETA participants. Subsidies are, in many instances, below those paid to entry level employees in many industries. The difference in the wage structures has implications for the involvement of many private companies in public training programs.

- Individual companies might adopt individual high schools and work closely with their staff to formulate effective career education programs.

(c) Education

- There was strong advocacy for consolidated CETA grants instead of the current categorical method for distributing funds.
- The participants felt that the network of existing youth serving programs should be recognized and strengthened. The pressure for new programs should be altered in favor of activities aimed at improving the staff quality, administrative procedures, and fiscal resources of local agencies.
- There is a great need for better information on successful practices in other parts of the country. Curricula, program models, and research data need to be disseminated more effectively than at present.
- To some degree, federal programs are perceived as replacing one group of unemployed with another rather than seeking fundamental solutions to an overall shortage of good work opportunities.
- Community economic development policies and manpower training were seen as inter-related. Community development funds and CETA monies could be combined to create a more comprehensive long term employment strategy for cities. Such a policy would require that CETA's current focus on quick individual impacts be amended.
- Better incentives are needed in at least four areas: Prime Sponsors need incentives which will promote effective programming and management; schools need incentives--in the form, for instance, of broader eligibility rules--if they are to take on an expanded CETA role; and organized labor needs incentives if it is to have a role in helping address the national crisis of youth. And youths themselves need to be rewarded--monetarily--for good performance in CETA programs.

III. Format & Approach

The Roundtables were originally conceived to solicit the views - on a regional basis - of educators and businesses. It was felt that a Roundtable format in which a limited number of people would meet informally to discuss a set agenda made the most sense. The aim was to have meetings of ten to fifteen people and to restrict their length to about three hours. Because of the importance of the private sector issues and because of the known differences between large and small employers, the private sector Roundtable was divided into two meetings to take place in the morning and afternoon of the same day. It was also felt, particularly at the initial stage of a discussion, that the proposed Education group should meet separately, on the second day of each city Roundtable. The result was that the Roundtables became tri-partite sessions and the five cities produce fifteen different meetings.

As the focus of the Roundtables narrowed to specific cities (rather than region), it quickly became apparent that the "Education" meeting would be richer if broadened to include more than public school representatives. Invitees to this session would reflect the range of youth-serving agencies in each city, with a particular emphasis on those whose activities involved educational issues. This session, then, would also include representatives from the Prime Sponsor, the Human Resource Development Institute of the AFL-CIO, post-secondary institutions, and the local National Alliance of Business. (In some cities, HRDI and NABs representatives also attended the private sector meetings.)

Once it was clear that there would be three well-defined "roundtables" in each of the five cities, the following planning steps were undertaken:

A. Site and host selection

The cities were chosen with the idea of an approximate distribution by region and size, but they were not intended to represent a rigorous "sample" of opinion. Each of the cities - Birmingham, Hartford, Houston,

Los Angeles, and Chicago - is a unique metropolis with distinct needs and assets. The mix of industries, forms of municipal government, CETA structures, educational systems, and population groups is quite diverse. Three of them - Los Angeles, Houston, and Birmingham - have experienced 15 to 20 years of fairly steady growth, although Los Angeles and Birmingham have seen this expansion more on the periphery of the city than in its core. Birmingham has a single minority, blacks, while Los Angeles and Chicago have several substantial minority groups within their sprawling metropolitan areas. Both Hartford and Houston are struggling with a rapidly growing Hispanic population whose needs are only beginning to surface in the conventional statistics.

The diversity of the five cities is of particular note in relation to the marked similarity of their responses to the basic Agenda. We will return to this point, but it is important to recognize the likelihood that any set of five cities would probably have provided a comparable cross-section of national opinion on youth employment issues in the summer of 1979.

Once the cities were identified, steps were taken to choose and confirm a host. In each case the goal was to find a host who would (1) have standing in the community, (2) be capable of providing real staff assistance in planning, and (3) have sufficient local knowledge to identify potential participants in each of the three categories (large and small business, education/human services). In all cities, the company or institution originally identified agreed to host the Roundtable and provided excellent staff support. These included:

Birmingham	July 9-10	Mayor David Vann
Hartford	July 18-19	John Filer, Chairman, Aetna Life and Casualty Company
Los Angeles	July 31-Aug. 1	Dr. Ruben Mettler, Chairman, TRW, and national chairman, NAB; Chauncey Medberry, Chairman, Bank of America

Houston	Aug. 6-7	David Gottlieb, Dean, College of Social Sciences, University of Houston
Chicago	Aug. 20-21	Robert MacGregor, President, Chicago United; The Continental Illinois National Bank and Trust Company

Although the result was that three private companies, one municipal government, and one university hosted the Roundtables, it would be impossible to generalize much from this fact. All of the hosts were enthusiastic about their roles and provided more than adequate assistance in carrying out the meetings. As noted, it was important for each host to have stature in the community in order to attract a good range of local participants. It may be true, as well, that private sector participation can be facilitated through having a local business serve as host.

B. Selection of Participants

Again, there were no rigid formulas used to select those invited to the Roundtables. The identification was a joint action by the local host, the Center for Public Service, and the Task Force. General guidelines were established for each of the sessions, local nominations were proposed by the host, and these were then supplemented by recommendations from Brandeis and the Task Force.

Large Employers were defined as either having over 500 local employees or as having special local prominence (such as a major bank). Small businesses then became anything smaller than 500; however, there were special efforts made to include minority enterprises. This process resulted in several features of interest:

- union contacts were difficult to make at first, although every city ultimately had at least one representative from organized labor;
- many of the hosts, particularly the large corporations, did not have the local contacts needed to identify small businesses (this was remedied by Brandeis/Task Force interventions);

- many employers with fewer than 500 local employees nevertheless were substantial enterprises, often being local branches of national corporations;
- cities which identified very small companies (under 50 employees) had some trouble confirming their attendance.

With the exception of Hartford, each of the cities did have a meeting of genuinely small businesses and the participants included a significant number of minority-owned firms.

C. Materials development

A great deal of effort was spent developing materials and an agenda for the sessions. It was felt from the outset that the agenda would need to be specific if the sessions were to make good use of the three-hour time and be legitimately blended into a summary report. The process for developing the agenda questions involved a series of drafts that started with a long list of potential issues and was then filtered into twelve questions: six for business and six for education.

There was no pretense that these six questions were the best possible formulation of the issues nor all inclusive in their reference to possible areas of discussion. The language of the questions was aimed at drawing from the participants' actual experiences in dealing with youth, CETA, public schools, and private industry. In other words, we sought a level of generality somewhere between operational details and national policy. Based on the response of the participants, the Agenda seems to have succeeded.

The Agenda questions for the business sessions were as follows:

- What does your company look for in hiring entry-level employees?
- What do you see as the major barriers to hiring more youth in your company?
- What contacts has your company had with local schools and with CETA offices? How would you characterize them?

- What changes do you anticipate in your company's work force needs in the next five years?
- What are the most effective ways to train young people for employment? Who should do what?
- What can the federal government do to remove the obstacles your industry faces in hiring more youth? What can the public schools do?

For the Education group the questions were:

- Which educational programs have been most effective in preparing youths for the world of work?
- Do minority groups have special career and vocational needs?
- Is granting academic credit an important issue for programs which serve out-of-school and older youth?
- Has the 22% set-aside in the Youth Employment and Demonstration Projects Act fostered relationships which will outlive present funding?
- What can be done to encourage more ccoperation between educational institutions and the private sector?
- What is the best way for the federal government to assist local education agencies on youth employment issues?

The two sets of questions correlated well with each other so that responses from all sessions could be collected under common headings.

In addition to the Agenda, several other items were developed as background for the Roundtables. A four page "paper" on youth employment was prepared for inclusion in the participants' package (along with other materials on the Task Force and youth unemployment). This paper made no pretense of phrasing the matter in a definitive way. Rather, it sought to summarize, briefly and non-technically, the "universe of need", the purposes of YEDPA, the role of the Task Force, and the impetus behind the Roundtable series.

As a means of assisting the Chair in conducting the Roundtables, an extensive briefing paper was prepared for each of the five sites. This paper had three major sections:

- An overview on the purpose of the meeting, the host, the people likely to attend, and a summary of major demographic and CETA facts in that city.
- An expansion of the program information, including separate narratives on each of the major program operators - the prime sponsor, the public schools, and community-based organizations.
- An elaboration of the agenda questions to include follow-up questions for each topic.

A fair amount of staff time was devoted to gathering accurate, current information on the program delivery system in each city. The capability of either the Prime Sponsor or any one subcontractor to present a comprehensive picture of such services was found to be limited. Even allowing for the "structural naivete" of outsiders probing a complex system, it was apparent that no reliable inventory of local services is generally available, particularly one which includes non-CETA funded youth programs.

C. Data on the Roundtables

By any measure, the Roundtables were a success. They were well attended, the participants took them seriously and used the limited time constructively, and there was, in each city, a strong feeling that further "roundtables" ought to take place which bring educators and business people together. The positive tone of these meetings must be stressed in lieu of grand numbers since the Roundtables were intentionally limited in size. Nevertheless, the numbers are still pretty good: 222 people attended the fifteen individual sessions, with the following breakdown:

City	Large Employer	Small	Education
Birmingham	13	10	13
Hartford	17	13	20
Los Angeles	19	15	20
Houston	11	8	14
Chicago	17	10	22

A total of 133 private businesses were represented, including 77 of the nation's largest corporations. The cumulative impact of the business involvement is noteworthy and suggests that the Task Force Roundtable series may be a key source of current information on the private sector and youth employment.

The Roundtables were chaired by several different people associated with the Vice President's Task Force. The meetings were introduced by the local host and then turned over to the chair. All of the sessions were taped, but the participants were told that no comments would be attributed and that the tapes would be used only to develop the necessary reports. The meetings were chaired as follows:

Birmingham	Jim Dyke, Special Assistant to Vice President Mondale Peter Edelman, Counsel to the Task Force
Hartford	Jim Dyke and Tom Glynn, Executive Director of the Task Force
Los Angeles	William Spring, Associate Director, Domestic Policy Staff, The White House
Houston	Jim Dyke
Chicago	Bert Carp, Deputy Director, Domestic Policy Staff, The White House Erik Butler, Center for Public Service, Brandeis University.

D. Some Conclusions about the Roundtables

There appeared to be a consensus on all sides that the Education-Private Sector Roundtables were an interesting and useful experience. Two conclusions can be drawn for future activities:

A. Replicability

The Roundtable seems to be a good device for eliciting the productive input of local practitioners in policy and it seems to be particularly effective at involving the private sector in such a discussion. The following elements contributed to that impression and may be essential to replicating it:

- Selectivity: they should be small enough to allow everyone to participate and to give them a sense of having been specially chosen;
- Local Credibility comes from a local host and assures that the right people will be invited and that there will be local assistance in the planning;
- National Credibility is important if participants are to take the meetings seriously; in the case of the Roundtables, this came through the role of the Task Force and the people chairing the meetings, and the legislative action which would ensue;
- Appropriate Focus is supplied by an Agenda which is specific yet allows enough flexibility to incorporate local interests;
- Effective Planning can be attained through several means, but was certainly enhanced by the "intermediary" role of the Center for Public Service.

There is also a local dimension to replication. In all five cities, the participants expressed a strong desire to get together on a regular basis, through local Roundtables, for the purpose of improving local communication and cooperation.

B. The Private Sector

The Roundtables were an excellent way to discuss youth employment issues with representatives of business and industry. Given the hosts and the environment, the companies were eager to express their views

on a number of timely issues. In fact, the Roundtables may well constitute one of the best, current samplings of private sector opinion available to those formulating new youth employment policy. Although this sample is limited, it includes 133 companies among which are 77 major corporations.

Although YEDPA was intended to test a variety of techniques for expanding the involvement of the private sector in youth employment, most of the experiments in that direction are still in the process of being implemented and evaluated. In the light of the status of these experiments, the comments of the 133 Roundtable participants take on added weight. These comments ranged from general notions about effective program strategies to specific (and timely) opinions on such things as the Targeted Jobs Tax Credit, the Skills Training Improvement Program, the minimum wage, the Private Industry Councils, changes in OJT regulations, and wage subsidies.

It would be easy to exaggerate the value of the accumulated comments of Roundtable participants; however, given ten distinct private sector meetings in five cities and nearly 1300 pages of transcripts, the value of the Roundtables is real. It is reflected in this Final Report, but it can also be gleaned through a review of the individual City Reports available from the Task Force.

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